Alberta Economy

Indicators at a Glance

Real GDP by Industry

In 2015, Alberta's real GDP by industry fell by 4.0%, the largest drop among the provinces and the first decline in GDP since the 2009 global financial crisis. Nationally, real GDP grew by 0.9% in 2015, down from 2.5% in 2014.

Population

Alberta's population was 4,249,842 as of April 1, 2016. This was an increase of 1.8% from the year prior. Canada's population grew 1.1% from a year ago.

Migration

Net migration to Alberta was 10,262 in the first quarter of 2016. During this time, Alberta welcomed 12,050 net international migrants. However, there was a net outflow of interprovincial migrants (-1,788), the second consecutive quarterly decline.

Employment[1]

Alberta lost 24,100 jobs in May. The job losses were in full-time positions and the private sector. The goods sector (-20,100) lost the most jobs, but service sector employment (-4,000) also fell.

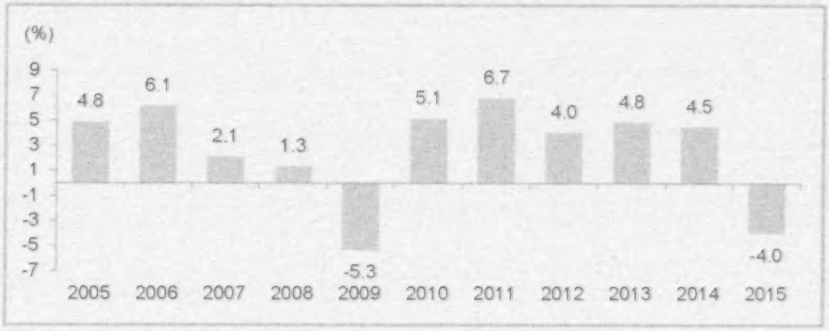
Unemployment Rate[1]

The unemployment rate ticked up by 0.6 percentage points to 7.8% in May, just below the 20-year high set in February. Canada's rate fell to 6.9%.

Rigs Drilling

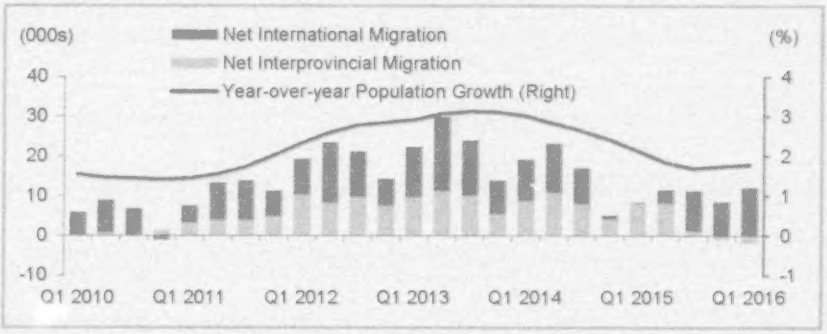
Alberta's rigs drilling count averaged 25 active rigs in May, an historical low. This was a decline of 50% year-over-year (y/y). Across Canada, there were 36 active rigs drilling, also a historical low. Canadian rigs drilling was down 56% y/y.

Real GDP by Industry
Annual, % change



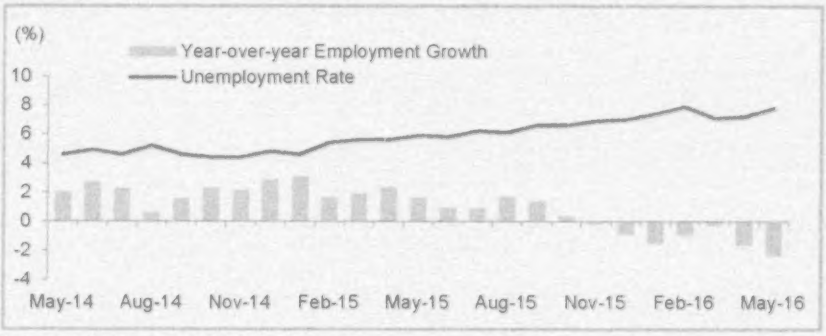
Source: Statistics Canada

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly



Source: Statistics Canada

Alberta Government

June 24, 2016
Treasury Board and Finance
Economics and Revenue Forecasting

Inflation

The Alberta Consumer Price Index (CPI) rose 1.5% y/y in May. Rent was down 1.1% y/y. Gasoline prices continue to recover from a February low, but were still down 3.4% y/y. Excluding food and energy, inflation rose 2.0% y/y.

Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta rose 0.5% in March to $1,129. Compared with the previous year, Alberta's AWE was down 2.2%. Canadian AWE rose 0.5% to $960.

NEW: Retail Sales[1]

Alberta retail sales increased 2.0% from March to total $6.3 billion in April. Sales were up 0.7% y/y, the first year-over-year increase after 15 months of declines.

Housing Starts[1]

Alberta housing starts fell to 22,664 (annualized) in May, a 32% y/y decline. The decline was due to multi-family starts, which were down 37% y/y. Single-family starts fell 29% y/y.

New Housing Price Index

Alberta's New Housing Price Index (NHPI) was unchanged in April, down 0.2% y/y. Calgary's NHPI was down 0.5% y/y as non-land prices (-1.1% y/y) continue to weigh on overall prices. Edmonton's NHPI was up 0.2% y/y.

Building Permits[1]

Alberta building permits jumped 28% from March to $1.2 billion in April. Despite the monthly jump, building permits were down 18% from a year ago.

[1] Seasonally adjusted

Contact

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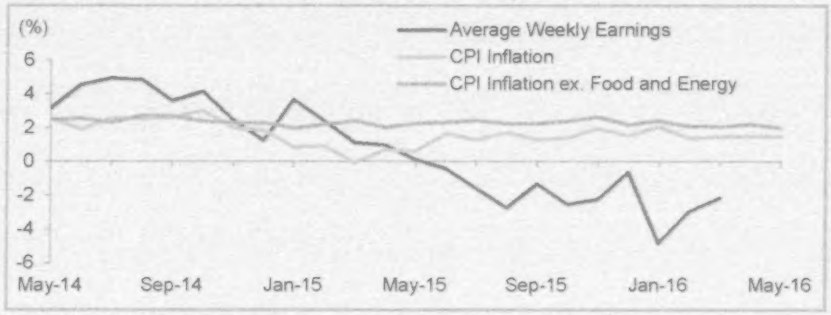
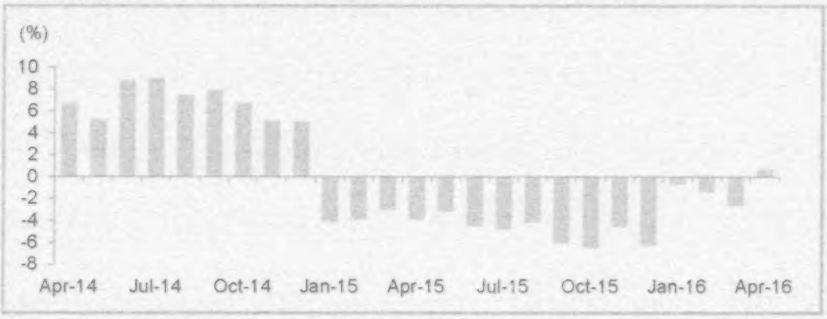
Inflation and Earnings
Monthly, CPI and AWE, year-over-year % change



Source: Statistics Canada

Retail Sales
Monthly, year-over-year % change



Source: Statistics Canada

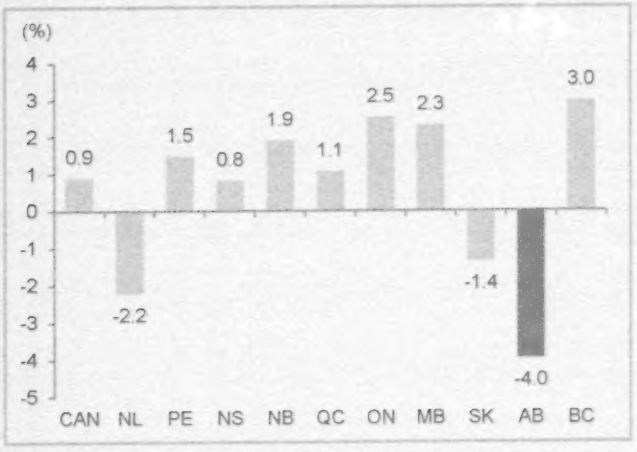
Housing Market
Monthly

Source: Statistics Canada

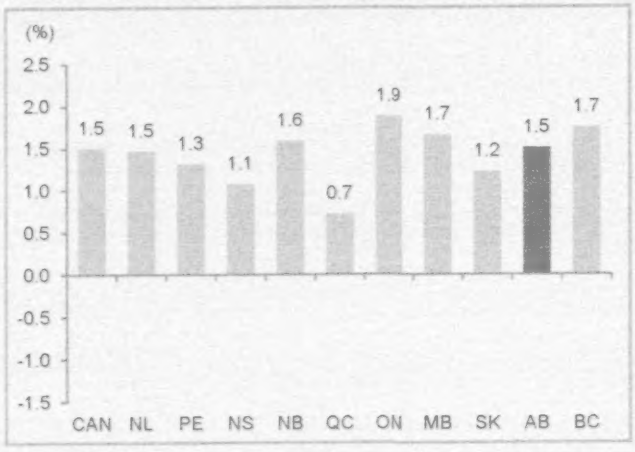
	Canadian Dollar (USc/$CAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (June 23, 2016)	78.42	50.11	2.70	1.11 (Apr)
Fiscal year-to-date	77.69	45.82	2.21	1.11

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

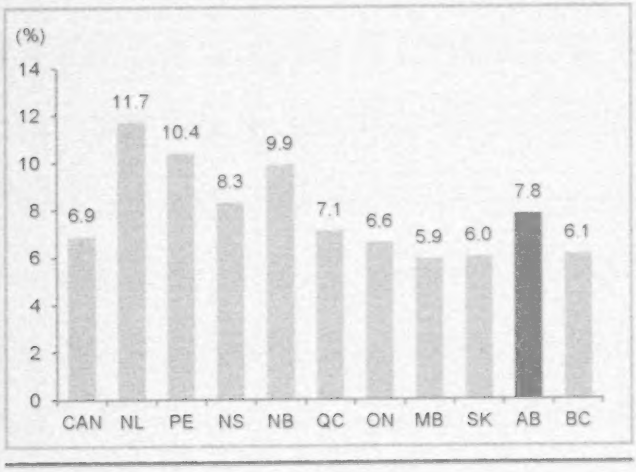
Real GDP by Industry (Basic Prices)
(2015, year-over-year growth)



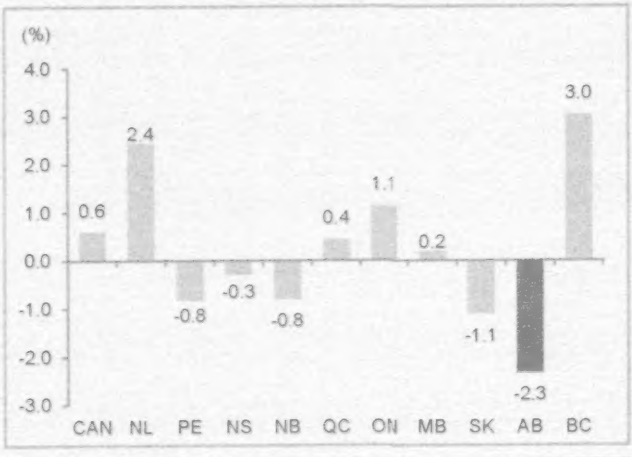
CPI Inflation
(May 2016, year-over-year growth)



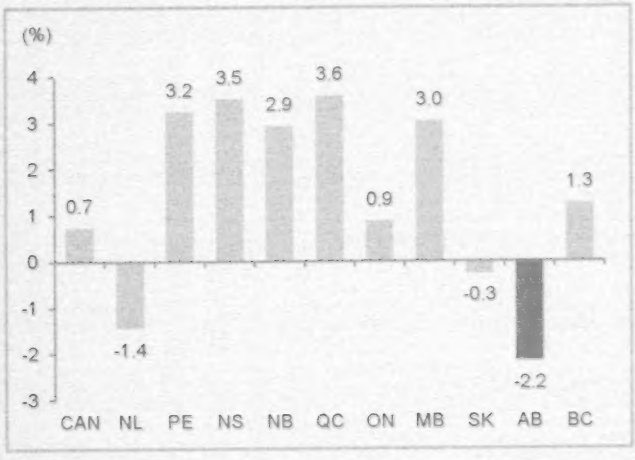
Unemployment Rate
(May 2016)



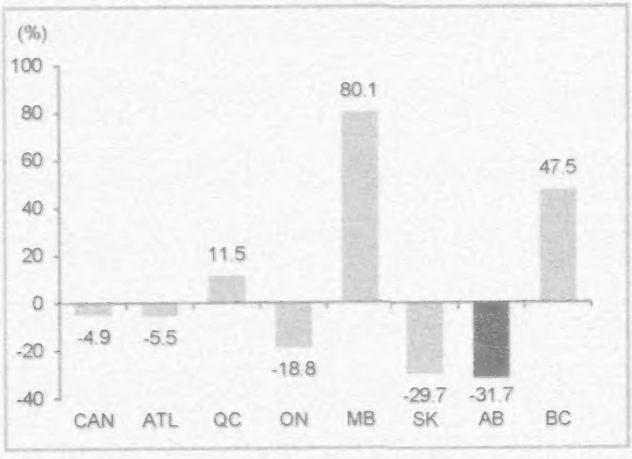
Employment
(May 2016, year-over-year growth)



Average Weekly Earnings
(March 2016, year-over-year growth)



Housing Starts
(May 2016, SAAR, year-over-year growth)



Alberta Economic Indicators

Population[1]	2014	2015	2016YTD	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16
Population (thousands)	4,321	4,196	4,250		4,232			4,250	
y/y % change	2.8	1.8	1.8		1.7			1.5	
Net Interprovincial Migration	35,362	28,921	-1531		377			-1,785	
Net International Migration	44,022	13,058	30,600		3,552			12,060	
Labour Market									
Employment (thousands, SA)	2,275	2,201	2,275	2,286	2,278	2,278	2,296	2,276	2,252
m/m change (thousands)				-3.9	-10.0	1.4	18.9	-20.3	-24.1
y/y % change	2.2	1.2	1.3	-0.9	-1.5	-0.9	-0.2	-1.6	-2.3
Unemployment Rate (%, SA)	4.7	5.0	7.5	7.0	7.4	7.9	7.1	7.2	7.8
Participation Rate (%, SA)	72.7	73.0	72.6	72.7	72.7	73.0	72.9	72.9	71.9
Average Weekly Earnings ($, SA)	1,149	1,146	1,122	1,147	1,115	1,123	1,129		
y/y % change	3.8	0.3	3.3	-0.5	4.8	3.0	-2.2		
Household Sector									
NEW: Retail Sales ($ million, SA)	78,582	74,969	24,666	6,155	6,140	6,139	6,133	6,254	
y/y % change	7.5	-4.6	-1.0	0.2	-0.5	-1.4	-2.7	0.7	
New Vehicle Sales (units, thousands)	277	242	70	16	15	16	20	20	
y/y % change	5.3	-12.7	-8.5	-22.1	11.3	-6.0	-7.6	-9.1	
Consumer Price Index (y/y % change)	2.6	1.1	1.6	1.5	2.1	1.4	1.5	1.5	1.5
Excluding Food & Energy	2.4	2.3	2.2	2.2	2.4	2.1	2.1	2.2	2.0
Housing Starts (SAAR, 000's)	40.6	37.3	24.1	25.3	23.4	22.7	22.2	29.3	22.7
y/y % change	12.7	-8.1	-40.4	-26.3	-46.4	-47.2	-55.8	-7.4	-31.7
New Housing Price Index (y/y % change)	3.4	0.7	-0.4	-0.4	0.3	0.7	0.4	-0.3	
Resale Home Sales	71,773	65,477	20,726	4,346	4,002	3,888	4,151	4,403	4,282
y/y % change	6.6	-21.3	-11.3	-16.7	-10.4	-10.4	-13.2	-7.2	-15.0
Sales to New Listing Ratio	0.65	0.52	0.46	0.40	0.42	0.43	0.47	0.49	0.52
MLS Average Resale Prices ($ thousands)	401	393	387	397	382	385	395	390	393
y/y % change	5.2	1.9	-1.1	0.3	-2.9	-0.5	1.6	-1.0	-0.7
Consumer Bankruptcies (level)	3,859	4,260	1,388	375	390	483	515		
y/y % change	-17.7	10.9	39.2	43.1	40.3	45.5	33.1		
Business Sector									
Goods Exports (customs based, $ million)	121,491	92,425	24,292	7,287	7,172	5,847	6,751	5,523	
y/y % change	17.9	-23.9	-25.0	-30.1	-21.5	-26.5	-26.5	-26.2	
Energy Products ($ million)	91,290	62,486	15,969	4,868	4,771	3,867	3,396	3,246	
y/y% change	20.6	-31.6	-32.0	-40.0	-26.9	-34.5	-33.6	-34.4	
Agricultural Products ($ million)	6,462	6,474	2,176	543	494	491	572	619	
y/y % change	4.5	0.2	1.6	27.7	-4.6	6.8	-6.2	11.8	
Rigs Drilling	252	120	66	96	120	113	45	29	25
y/y% change	7.4	-52.6	-51.4	-62.0	-55.7	-46.6	-54.5	-43.9	-50.3
Manufacturing Shipments ($ million,SA)	78,941	68,045	19,827	5,196	4,948	4,900	4,904	5,075	
y/y% change	7.5	-13.8	-14.7	-17.4	-14.9	-16.3	-15.7	-11.8	
NEW: Wholesale Trade ($ million, SA)	84,866	79,691	25,041	6,342	6,453	6,184	6,220	6,184	
y/y% change	8.1	-6.0	-8.9	-11.2	-7.8	-10.7	-9.7	-11.4	
Building Permits ($ million, SA)	18,256	16,752	4,613	1,158	1,107	1,586	991	1,169	
y/y% change	5.6	-8.2	-13.5	-29.0	-21.4	-21.9	-33.5	-18.1	
Residential Permits ($ million, SA)	10,831	9,876	2,060	650	597	592	451	620	
y/y % change	9.9	-8.8	-34.7	-29.8	-31.9	-33.6	-47.4	-25.9	
Non-Residential Permits ($ million, SA)	7,426	6,877	2,553	479	510	994	480	569	
y/y % change	0.3	-7.4	-21.5	-27.7	-4.1	142.1	-11.7	-7.6	
Non-Res. Building Cons. Price Index[2] (y/y% change)	1.6	-0.7	-1.7	-1.4			1.7		
Business Bankruptcies	105	95	21	8	5	8	8		
y/y % change	23.4	-9.5	-5.0	-11.1	-44.4	100.0	14.3		

[1] Quarterly; annual numbers are presented on a census year basis (July 1– June 30)

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate

Sources: All data are from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canada Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (office of the superintendent of Bankruptcy

All historical data are subject to revision